

STAND. COM. REP. NO. 654

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 92
S.D. 2

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 92, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose and intent of this measure is to augment accessibility to general excise tax exemption information collected and provided by the Department of Taxation.

More specifically, this measure:

- (1) Requires the Department of Taxation to publish reports on certain general excise tax exemptions; and
- (2) Repeals specific annual reporting deadlines.

Your Committee received comments on this measure from the Department of Taxation and the Tax Foundation of Hawaii.

Your Committee finds that, pursuant to section 231-3.4, Hawaii Revised Statutes, the Department of Taxation is required to publish reports on Hawaii income patterns and tax credits. This measure amends section 231-3.4, Hawaii Revised Statutes, by also requiring the Department of Taxation to publish reports on certain general excise tax exemptions. Your Committee believes that this measure will provide information that will be useful in determining the effectiveness of state tax incentives.

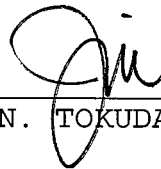


Your Committee has amended this measure by:

- (1) Making clarifying amendments to the descriptions of reports currently required under section 231-3.4, Hawaii Revised Statutes, regarding the income patterns of Hawaii businesses;
- (2) Amending section 231-3.4, Hawaii Revised Statutes, to retain the Department of Taxation's annual reporting requirement, while repealing an obsolete reporting deadline; and
- (3) Making technical nonsubstantive amendments for the purposes of consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 92, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 92, S.D. 2, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



JILL N. TOKUDA, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <div style="font-size: 1.2em; font-family: cursive;">SB92 SD1</div>	Committee Referral: <div style="font-size: 1.2em; font-family: cursive;">WAM</div>	Date: <div style="font-size: 1.2em; font-family: cursive;">3/3/15</div>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div>				
Members	Aye	Aye (WR)	Nay	Excused
TOKUDA, Jill N. (C)	✓			
KOUCHI, Ronald D. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
GALUTERIA, Brickwood	✓			
HARIMOTO, Breene				✓
INOUE, Lorraine R.	✓			
RIVIERE, Gil	✓			
RUDERMAN, Russell E.	✓			
SLOM, Sam	✓			
TOTAL	10	0	0	1
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div>				
Chair's or Designee's Signature: <div style="font-size: 1.5em; font-family: cursive; text-align: center;">M. N. H.</div>				
Distribution: <div style="display: flex; justify-content: space-between; font-size: 0.8em; margin-top: 5px;"> <div>Original File with Committee Report</div> <div>Yellow Clerk's Office</div> <div>Pink Drafting Agency</div> <div>Goldenrod Committee File Copy</div> </div>				

*Only one measure per Record of Votes